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Burton M. Bentley, Esq. (Bar No. 00980) RECEIVED 1 BURTON M. BENTLEY, P.C. 5343 North 16th Street, Suite 480 Phoenix, Arizona 85016 2006 JAN 27 P 4: 37 (602) 861-3055 3 (602) 861-3230 AZ CORP COMMISSION DOCUMENT CONTROL 4 Attorney for Respondents 5 BEFORE THE ARIZONA CORPORATION COMMISSION 6 In the matter of: Docket No. S-20437A-05-0925 7 Reserve Oil & Gas, Inc., a Nevada corporation 8 3507 North Central Avenue, Suite 503 Phoenix, Arizona 85012 SEPARATE ANSWER OF 9 RESPONDENT ALLEN STOUT, JR. TO Allen and Jane Doe Stout, Sr., husband and TEMPORARY ORDER TO CEASE AND 10 DESIST AND NOTICE OF wife 1309 West Portland Street OPPORTUNITY FOR HEARING 11 Phoenix, Arizona 85007-2102 12 Allen and Jane Doe Stout, Jr., husband and wife 13 1309 West Portland Street Phoenix, Arizona 85007-2102 14 Respondents. 15 16 Respondent Allen Stout, Jr. ("Stout Sr."), for and on behalf of himself and none others, 17 by and through undersigned attorney, does hereby file their Answer to the Temporary Order to 18 Cease and Desist and Notice of Opportunity for Hearing, and does hereby admit, deny and allege 19 as follows: 20 1. Admits paragraphs 1 though 5. 21 2. In answer to paragraph 6, Respondent Stout Jr. is without information or knowledge 22 sufficient to form a belief as to the truth of the allegations therein, and therefore denies the same. 23 3. Admits paragraph 7.

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- 4. Denies paragraphs 8, 9, 10 and 11, and thereon alleges that at all times relevant, Respondent Stout Jr. was and now is an unmarried person.
- 5. In answer to paragraph 12, all prior answers are hereby realleged as though set forth in full.
 - 6. Denies paragraphs 13 through 15 inclusive as to Respondent Stout Jr.
- 7. Respondent Stout Jr. is without information or knowledge sufficient to form a belief as to the truth of the allegations of paragraphs 16 through 29 inclusive, and thereon alleges that Respondent Stout Jr. did not create or promote the ROG website and accordingly is unfamiliar with its content, did not participate in the management of ROG, did not negotiate any agreements with Benco/Rife, did not create any of the brochures or handouts for ROG, did not talk to investors, other than as the telephone answering receptionist, and based upon the foregoing, denies each and all of the allegations of said paragraphs 16 through 29.
- 8. In answer to paragraphs 30 and 31, Respondent Stout Jr. is without information or knowledge sufficient to form a belief as to the truth of the allegations therein, and therefore denies same.
 - 9. Admits the allegations of paragraphs 32, 33, 34 and 35.
- 10. In answer to paragraph 36, Stout Jr. is without information or knowledge sufficient to form a belief as to the truth of the allegations therein, and therefore denies same.
- 11. Admits the allegations of paragraph 37, and thereon alleges that Respondent Stout Jr. had no legal or fiduciary duty to tell an investor about his father's conviction or about any other fact or thing relating to ROG or otherwise.
 - 12. Denies the allegations of paragraphs 38 through 44 inclusive.
- 13. It is not required that an Answer be furnished as to Counts VII, XIII, SIV or SV, as they contain no allegations of fact, and by inadvertence or otherwise, Counts IX, X, XI and XII have been omitted.

Having fully answered the allegations of the Order To Cease and Desist, Respondent asks 1 that the Cease and Desist Order be quashed and that the Arizona Corporation Commission take 2 3 nothing by its action. **DATED** this 26TH day of January, 2006 4 5 6 7 8 9 Original plus 13 copies of the foregoing delivered 10 this 27th day of January, 2006 to: 11 **Docket Control** Arizona Corporation Commission 12 1200 West Washington Street Phoenix, AZ 85007 13 and a copy to: 14 Honorable Marc Stern 15 Administrative Law Judge **Hearing Division** 16 Arizona Corporation Commission 17 1200 West Washington Street Phoenix, AZ 85007 18 Matthew J. Neubert 19 Securities Division Arizona Corporation Commission 1300 West Washington, 3rd Floor 20 Phoenix, AZ 85007 21 Michele Medlyn

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BURTON M. BENTLEY, P.C.

5343 North 16th Street, Suite 480

Burton M. Bentley

Phoenix, Arizona 85016 Attorney for Respondents